

AIICO INSURANCE PLC 2021 HALF YEAR UNAUDITED FINANCIAL REPORT

CONSOLIDATED & SEPARATE STATEMENT OF FINANCIAL POSITION FOR THE INTERIM PERIOD AS AT 30 JUNE 2021

	Group		Parent	
<i>In thousands of naira</i>	30-Jun-21	31-Dec-20	30-Jun-21	31-Dec-20
Assets				
Cash and cash equivalents	17,555,939	31,913,335	8,280,066	9,279,385
Financial assets	159,397,380	188,342,047	140,246,048	166,074,396
Trade receivables	1,005,570	937,078	778,050	897,596
Reinsurance assets	11,701,473	7,496,395	11,701,473	7,496,395
Deferred acquisition costs	1,049,144	582,265	1,049,144	582,265
Other receivables and prepayments	7,640,624	2,426,871	7,279,173	726,262
Deferred tax assets	10,833	6,168	-	-
Investment in subsidiaries	-	-	1,087,317	1,087,317
Investment in associate	740,532	-	705,691	-
Investment properties	1,096,200	758,000	1,096,200	758,000
Goodwill and other intangible assets	875,550	889,082	849,281	862,379
Property and equipment	6,993,050	7,009,404	6,684,414	6,705,570
Statutory deposits	500,000	500,000	500,000	500,000
Assets classified as held for sale	-	2,237,780	-	1,365,042
Total assets	208,566,294	243,098,424	180,256,857	196,334,608
Liabilities				
Insurance contract liabilities	116,587,763	136,078,388	116,358,742	135,856,973
Investment contract liabilities	21,144,384	21,835,376	21,144,384	21,835,376
Trade payables	1,947,123	2,020,724	1,906,416	1,963,893
Other payables and accruals	6,176,613	4,774,609	4,965,401	3,892,160
Fixed income liabilities	26,301,112	43,046,848	-	-
Current income tax payable	355,822	358,099	331,248	307,621
Deferred tax liabilities	-	8,837	-	-
Liabilities attributable to assets held for sale	-	316,462	-	-
Total liabilities	172,512,816	208,439,343	144,706,191	163,856,023
Equity				
Issued share capital	7,843,988	7,843,988	7,843,988	7,843,988
Share premium	7,037,181	7,037,181	7,037,181	7,037,181
Revaluation reserve	1,812,707	1,812,707	1,812,707	1,812,707
Fair value reserve	(2,358,877)	(507,416)	(698,812)	(438,586)
Foreign exchange gains reserve	125,852	175,600	125,852	175,600
Contingency reserve	7,805,818	7,213,594	7,805,818	7,213,594
Retained earnings	13,560,541	9,924,143	11,623,932	8,834,100
Statutory reserve of disposal assets classified as held for sale	-	202,042	-	-
Shareholders' funds	35,827,210	33,701,838	35,550,666	32,478,584
Non-controlling interests	226,269	957,243	-	-
Total equity	36,053,479	34,659,081	35,550,666	32,478,584
Total liabilities and equity	208,566,294	243,098,424	180,256,857	196,334,608

These consolidated and separate financial statements were approved by the Board of Directors on 29 July 2021 and signed on its behalf by:

 **Mr. Oladeji Oluwatola**
Chief Financial Officer

FRC/2013/ICAN/0000004910

 **Mr. Babatunde Fajemirokun**
Managing Director/ Chief Executive Officer

FRC/2015/MULTI/00000019973

 **Mr. Kundan Sainani**
Chairman

FRC/2013/IODN/00000003622

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CONSOLIDATED & SEPARATE STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

	Group		Parent	
<i>In thousands of naira</i>	30-Jun-21	30-Jun-20	30-Jun-21	30-Jun-20
Gross premium written	37,481,885	31,923,129	37,016,658	31,466,681
Gross premium income	34,435,596	29,071,849	34,121,538	28,756,471
Reinsurance expenses	(5,265,183)	(3,284,231)	(5,265,183)	(3,284,231)
Net premium income	29,170,413	25,787,618	28,856,355	25,472,240
Fee and commission income				
Insurance contracts	1,098,642	777,920	1,098,642	777,920
Pension and other contracts	225,032	280,422	-	-
Net underwriting income	30,494,088	26,845,960	29,954,997	26,250,160
Claims expenses:				
Claims expenses (Gross)	(26,366,158)	(18,021,473)	(26,243,504)	(17,860,277)
Claims expenses recovered from reinsurers	5,429,211	3,566,830	5,429,211	3,566,830
Claims expenses (Net)	(20,936,947)	(14,454,643)	(20,814,293)	(14,293,447)
Underwriting expenses	(4,730,635)	(3,434,428)	(4,700,312)	(3,420,577)
Change in life fund	10,294,322	(10,053,011)	10,294,322	(10,053,011)
Change in annuity fund	16,398,226	(6,835,801)	16,398,226	(6,835,801)
Change in other investment contracts	442,742	(2,926,631)	442,742	(2,926,631)
Total underwriting expenses	1,467,708	(37,704,515)	1,620,685	(37,529,468)
Underwriting profit/(loss)	31,961,796	(10,858,555)	31,575,682	(11,279,308)
Investment income	5,918,241	7,577,081	5,772,523	5,006,886
Profit from deposit administration	417,610	43,648	417,610	43,648
Net realised gains	205,070	264,717	205,070	264,717
Net fair value gains	(33,087,515)	11,508,854	(33,087,515)	11,508,854
Other operating income	800,559	133,518	366,542	7,178
Personnel expenses	(1,740,831)	(1,739,903)	(1,368,538)	(1,374,947)
Other operating expenses	(3,566,361)	(2,646,341)	(3,408,860)	(2,320,614)
Finance cost	-	(2,110,819)	-	(96,743)
Profit before income tax from continuing operations	908,570	2,172,197	472,514	1,759,671
Income tax expense	(29,041)	616,646	(23,626)	626,491
Profit after tax from continuing operations	879,528	2,788,842	448,888	2,386,162
Discontinued operations				
Profit after tax from discontinued operations	2,372,854	72,222	3,013,374	-
Profit for the period	3,252,383	2,861,064	3,462,263	2,386,162
Attributable to shareholders	3,197,349	2,787,555	3,462,263	2,386,162
Attributable to non-controlling interest holders	55,033	73,509	-	-
	3,252,383	2,861,064	3,462,263	2,386,162
Other comprehensive income, net of tax				
Items within OCI that may be reclassified to profit or loss				
Net (loss) / gain on financial assets	(1,832,870)	(86,362)	(260,224)	(258,941)
Items within OCI that will not be reclassified to profit or loss in subsequent periods:				
Fair value (loss) on equity securities	(87,928)	(154,520)	(80,209)	(154,520)
Exchange (loss)/gains on financial assets	(49,748)	15,922	(49,748)	15,922
Total other comprehensive (loss)/ income	(1,970,546)	(224,961)	(390,181)	(397,539)
Total comprehensive profit for the period	1,281,837	2,563,881	3,072,081	1,988,623
Attributable to shareholders	1,439,873	2,490,372	3,072,081	1,988,623
Attributable to non-controlling interests	(158,036)	73,509	-	-
	1,281,837	2,563,881	3,072,081	1,988,623
Basic earnings per share (Kobo)	6	40	3	34
Diluted earnings per share (Kobo)	6	40	3	34

CONSOLIDATED & SEPARATE STATEMENTS OF CASH FLOWS FOR THE INTERIM PERIOD ENDED 30 JUNE 2021

	Group		Parent	
<i>In thousands of naira</i>	2021	2020	2021	2020
Operating activities:				
Total premium received	37,777,715	31,422,890	37,500,526	31,345,403
Commission received	(1,323,674)	824,506	(867,577)	544,084
Commission paid	(3,929,711)	(3,288,880)	(3,882,046)	(3,275,028)
Premium paid in advance	(128,023)	338,328	(128,023)	338,328
Unallocated premium	364,322	153,136	364,322	153,136
Reinsurance premium paid	(9,645,462)	(5,055,229)	(9,645,462)	(5,055,229)
Gross benefits and claims paid	(22,170,354)	(15,768,778)	(21,944,247)	(15,578,480)
Claims recoveries	7,710,655	5,349,771	7,710,655	5,349,771
Receipt from deposit administration	167,485	153,682	167,485	153,682
Withdrawal from deposit administration	(38,975)	(31,240)	(38,975)	(31,240)
Other underwriting expenses paid	(1,288,467)	(610,225)	(1,288,467)	(610,225)
Payments to employees	(833,770)	(1,739,903)	(461,477)	(1,374,947)
Other operating cash payments	(10,926,932)	4,392,301	(13,378,694)	(3,485,887)
Other income received	616,534	268,799	179,329	142,459
Fixed income received	(16,745,736)	26,716,133	-	-
Income tax paid	(24,387)	(185,583)	-	(106,430)
Net cash flows (used in)/from operating activities	(20,418,780)	42,939,708	(5,712,652)	8,509,397
Investing activities:				
Interest income received	7,582,808	4,048,253	6,333,996	1,797,133
Purchase of property and equipment	(371,577)	(432,564)	(232,834)	(414,868)
Purchase of intangibles	-	(34,585)	-	-
Proceeds from sale of property and equipment	63,636	8,282	5,663	1,407
Purchase of financial assets at amortized cost	(40,068,987)	(13,312,342)	(39,568,987)	(9,383,189)
Purchase of financial assets at FVTOCI	(9,726,974)	(58,604,987)	(3,110,824)	(8,739,670)
Purchase of financial assets at FVTPL	(15,987,478)	(107,358,470)	(15,987,478)	(107,358,470)
Proceed on disposal/ redemption of financial assets	66,668,778	138,078,283	57,611,997	118,492,866
Net cash flows from/ (used in) investing activities	7,822,006	(37,608,130)	4,713,332	(5,604,791)
Financing activities:				
Principal & interest payment on borrowings	-	(1,207,674)	-	(1,207,674)
Net cash flows (used in)/ from financing activities	-	(1,207,674)	-	(1,207,674)
Net increase in cash and cash equivalents	(12,596,774)	4,123,904	(999,320)	1,696,933
Cash and cash equivalents at 1 January	31,913,335	10,080,164	9,279,385	8,166,352
Included in the assets of the disposal group	(1,760,622)	(1,337,503)	-	-
Cash and cash equivalents as at 30 June	17,555,939	12,866,565	8,280,066	9,863,285